Saskatchewan

2006-2007 Annual Report

Saskatchewan
Northern
Affairs

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This annual report is also available in electronic format from the department's web site at http://www.northern.gov.sk.ca

Letters of Transmittal

The Honourable Dr. Gordon L. Barnhart
Lieutenant Governor of Saskatchewan
Province of Saskatchewan

May it please Your Honour:

It is my honour to respectfully submit the Annual Report of Saskatchewan Northern Affairs for the fiscal year ending March 31, 2007.

Okimākān, kika mithīnītamīkon ōma:

Niskistīthītīn anima māmawi masinahikīwin kā isitisāmātān ayihk ohci Kīwītinohtāhk Isīcikīwina anohc kākīsipathik pīyak askiy witha osīcikīwin Kīci-okimākānāhk ōta Kisiskāciwan, kākīsi ākimīt awa Mikisiwi Pīsim.

Nuhéts'ı ts'ëkuí t'ák'óldér bets'ı dëne thédá k'í bëba sí ʔedırí k'í

Hotıé dëgháre sëník'ësí sı ʔedırı ʔerıhtł'ıs nëdhe ʔëją dánílá yúní nene March 31, 2007 hots'ı Northern Affaırs t'á hółtsı sı bëghą yatí sı ʔedírí k'í.

Honourable Joan Beatty
Minister of Northern Affairs

Dear Minister:

I have the honour of submitting the Annual Report of Saskatchewan Northern Affairs for the fiscal year ending March 31, 2007.

Respectfully submitted,

Al Hilton
Deputy Minister
Northern Affairs

Introduction

Saskatchewan Northern Affairs' (SNA) 2006-07 Annual Report describes the department's results for the key actions and performance measures published in our 2006-07 Performance Plan, released in March 2006. The results are also associated with key actions included in the Budget and Performance Plan Summary for 2006-07, the government-wide plan released with the 2006-07 budget.

Reporting on financial and performance actual year-end results compared to SNA's 2006-07 Performance Plan increases accountability to the citizens we serve and improves their ability to assess our performance. Next year, 2007-08 actual year-end performance results will be compared to the department's 2007-08 Performance Plan.

Improvements in SNA's Annual Report are tied to the continued implementation of government's system of planning, measuring and reporting. SNA's 2007-08 Performance Plan will be released later in the 2007-08 fiscal year.

Who We Are

Mandate

In 2006-07, the mandate of the Department was to promote the social and economic development of northern Saskatchewan communities in partnership with the federal government and northern communities by supporting regional development and development of businesses and industries, and co-ordinating government activities in the Northern Administration District (NAD) of Saskatchewan.

For 2007-08, the Department's mandate has changed to: stimulate and support business and employment development in northern Saskatchewan; promote maximum benefits and opportunities for northerners from northern development; work with northerners and partner agencies to provide leadership and support for regional economic planning and sector development in northern Saskatchewan; and, advance northern perspectives and interests within government decision-making processes.

The Department's mandate has been changed to reflect a stronger and clearer focus on supporting business development and employment growth in the North.

A map of the NAD is found in Appendix A.

Vision

Northern residents and communities will have opportunities to improve their quality of life and increase their self-reliance. With a greater capacity to create a viable social and economic future for themselves, northerners will take a greater role in the social and economic development of their communities and their regions.

Programs and Services Delivered

The department's major programs and services are highlighted below. For more information, refer to Appendix B: Glossary.

Northern Development Fund (NDF)

This fund stimulates and supports business development in northern Saskatchewan. The fund provides: 1) commercial loans to northern businesses; 2) primary production loans to trappers, commercial fishers, and wild rice growers; 3) grants for marketing, research, organizational development, business skills training, and support to northern youth entrepreneurs; and, 4) grants to support northern Regional Development Corporations (RDCs).

Commercial Fishing Freight Subsidy and Price Support

SNA provides financial support for the commercial fishing industry in northern Saskatchewan through two components – a freight subsidy and a price support mechanism.

Business and Co-operative Support Services

SNA provides business support services to northern entrepreneurs, businesses, co-operatives, community development corporations, and other organizations. These services include identification and evaluation of business opportunities, assisting business plan development, organizational development, management counselling, business skills training, and other advisory services. We also assist northern co-operatives in planning and development, establishment of policies, legislative compliance, and key sector strategies.

Environmental Quality Committee

The Northern Saskatchewan Environmental Quality Committee (NSEQC) provides effective northern community participation in monitoring the uranium industry and influencing decision-making about the industry. It also facilitates communications among northerners, industry, and government. Thirty-two communities (municipal and First Nations) are represented on the NSEQC. The Northern Mines Monitoring Secretariat (NMMS) provides technical support and advice to the NSEQC. Key service delivery partners are the member federal and provincial government departments and agencies of the

Who We Are

NMMS, along with the member communities of the NSEQC.

Mineral Surface Lease Agreements

The Department negotiates and administers Surface Lease Agreements for northern mines. The 13 agreements currently in place address socio-economic benefits, land tenure and environmental and occupational health and safety.

Northern Development Agreement

The Department plans and leads the delivery of investments under the Northern Development Agreement (NDA) on behalf of the provincial government, in partnership with the federal government and the Northern Development Board Corporation.

The NDA represents the first federal-provincial funding initiative established under the Northern Development Accord, which were both signed in October of 2002. As part of the Agreement, the Province and the federal government (through Western Diversification) are contributing $10 million each over five years in support of capacity building and the development of economic infrastructure in the NAD.

Northern Policy Perspective and Communications

The Department works with other provincial government agencies in ensuring that northern perspectives and interests fully inform government decision-making. We also support government in communicating its policies and priorities to northerners and work with northerners to communicate their interests, issues and priorities to government.

Structure and Organization

As of March 31, 2007, SNA had a total staff complement of 43.0 full-time equivalents (FTEs). The Department has two permanent offices (La Ronge and Regina) and three field offices (Creighton, Buffalo Narrows, and Saskatoon). As of March 31, 2007, SNA had five units: (1) Communications; (2) Northern Development Fund; (3) Planning and Financial Management; (4) Regional Development; and, (5) Resource and Industry Development.

Please refer to Appendix C for SNA's organizational chart.

2006-2007 Results at a Glance

Summary of Performance Results

The Department has made progress on the many challenges facing northerners in 2006-07. Highlights of significant results and areas to strengthen are presented here:

Key Results:

+ Good results
- Areas to strengthen (performance less than expected in 2006-07)

Self-Reliant Residents and Communities in the North

+ Maintained representation of approximately 70% of northern communities and all northern regions on SNA boards and committees.
+ Approved 10 commercial loans and 54 primary production loans for a total of $1.81 million through the NDF.
+ Approved 33 NDF grants for a total of $208,506.
+ NSEQC representatives participated in 18 events, including one Canadian Nuclear Safety Commission (CNSC) hearing.
+ Supported the "Tourism Ready to Work" program with Saskatchewan Education Tourism Council.
+ Advised the Anglin Lake – La Ronge Natural Gas committee as they pursued natural gas services to the La Ronge area.
- Conducted stakeholder consultations of the NDF loan program; the program evaluation will conclude in 2007-08.
- Deferred the evaluation of the Commercial Fish Transportation Subsidy and Price Support Program to 2007-08.

A Viable and Sustainable Northern Economy

+ Approved investment of $3.19 million for 11 projects under the NDA, representing 16% of the $20 million available under this five-year agreement.
+ Continued to work with Jans Bay, Cole Bay, Beauval, and Ile-a-la Crosse and federal government representatives in the development of a $19.5 million Primrose Lake economic development package.
- Deferred the evaluation of the Northern Procurement Policy.

Responsive and Effective Government in the North

+ Worked with colleague departments to advance new legislation – The Reclaimed Industrial Sites Act – to guide the long-term management of fully decommissioned and reclaimed mine/mill sites in on provincial Crown lands.
+ Produced 32 Northern Focus radio programs.
+ Organized northern public consultations regarding the northern exemption to the hours of work legislation.
+ Responded in a timely fashion to industry requests regarding administration of mineral surface lease agreements.
+ Negotiated with the federal government a one-year extension to the NDA.
+ The Provincial Government negotiated the transfer of ownership of the Silver Lake Farm to the Northern Village of Green Lake.

Summary of Financial Results

In 2006-07, SNA's budget was $5.716 million. SNA's total expenditures for 2006-07 were $5.351 million or almost $365,000 less than budget.

The variance was predominantly due to under-spending in the Commercial Fishing Price Support and Freight Subsidy Program and the NDF loan loss provision being lower than budgeted.

In 2006-07, SNA's revenue budget was $350,640, compared to actual revenue of $346,361.

As of March 31, 2007, the department had a total staff complement of 43.0 FTEs.

2006 – 2007 Performance Results

SNA's annual results contribute to the achievement of the Department's long-term goals and objectives.

The key actions originally presented in our 2006-07 plan are listed below, followed by a report on actual progress for each. Actual results are included for all key actions and performance measures that were published in our *2006-07 Performance Plan*, as well as for all commitments related to SNA in the government-wide *Budget and Performance Plan Summary for 2006-07*.

Further information about the department's *2006-07 Performance Plan* is available at http://www.northern.gov.sk.ca/docs/publications/performplan06_07.pdf

2006-07 Performance Results

Goal 1 - Self-reliant residents and communities in the North

Objective 1 - Greater involvement of northerners in influencing decisions regarding northern development

It is important that northerners express their viewpoints regarding decisions that affect them, that development in the North reflects their needs, and that they are active participants in economic development to shape their own future.

During 2006-07, SNA made moderate progress to advance this objective. All regions in the North, and 70% of all communities, are represented on SNA's boards and committees.

Highlights of 2006-07 include: the NDBC continued to be actively involved in the delivery of the NDA; the NSEQC participated in 18 events; an integrated economic development / land use planning process was initiated in the Clearwater-La Loche area; and, an RDC for the west-side area was in the process of being created to replace the Northwest Regional Development Council (NWRDC), which expired on September 30, 2006.

Key Results

Target and co-ordinate industry and federal/ provincial regulator technical information sessions for volunteer NSEQC representatives to increase their understanding of continually-evolving technological and regulatory requirements in uranium mining. [2006-07 planned result]

- While no specific sessions were scheduled during 2006-07, NSEQC representatives were updated, as required, by federal and provincial regulators at their all-NSEQC meetings, regarding evolving technological challenges and corresponding regulatory requirements related to northern uranium mining operations.

At the request of federal and provincial regulators, industry, and northerners, co-ordinate and facilitate public consultations with the NSEQC on proposed northern uranium mining developments and project operating approvals, including those related to new abandoned uranium mine/mill clean-up initiatives. [2006-07 planned result]

- NSEQC representatives participated in a total of 18 events in 2006-07 including one Canadian Nuclear Safety Commission (CNSC) hearing and seven northern mine site visits.
- The committee was introduced to the proposed Millennium project in 2006-07.

Provide technical support and advice to SNA's northern economic development boards and committees to support informed decision-making (e.g. Northern Review Board, Northwest Regional Development Council, regional development corporations and the Northern Development Board Corporation). [2006-07 planned result]

Regional Development Corporations (RDCs)

- Provided $216,000 in operational funding to four regional development corporations.
- Provided ongoing technical support to the RDCs. .

Northern Review Board (NRB)

- Continued to provide technical support and recommendations to the Northern Review Board, through nine meetings to discuss 11 loans.

Northwest Regional Development Council

- The NWRDC members' appointments expired on September 30, 2006. The Department is working with west-side communities to create a west-side RDC.

Northern Development Board Corporation (NDBC)

- By representing Government on the Tripartite Management Committee (TMC), provided technical support for, and input into, NDBC decisions, and made recommendations on proposals made to the NDA. Indirectly, this

enhances northerners' capacity in planning and decision-making.
- As part of the TMC, reviewed 29 proposals with a total proposed value of $11.6 million in 2006-07, a decrease from 2005-06, when 40 proposals worth a total of $13.9 million were reviewed.
- Provided an additional $50,000 to the NDBC for administrative and technical support.

Additional Results

In addition to progress made on planned actions, other key results include:

- Facilitated meetings with the Northern Village of La Loche, the Clearwater River Dene Nation, and provincial departments to undertake an integrated economic development / land use planning process in the Clearwater-La Loche area. Worked with Saskatchewan Environment to provide $480K from the NDA to the communities to retain expertise to assist their fuller involvement in the planning process.

Measurement Results

Percentage of representatives attending meetings

- *Environmental Quality Committee (NSEQC)*
- *Northern Review Board (NRB)*
- *Northwest Regional Development Council (NWRDC)*

	2003-04 Baseline	2004-05 Actual Results	2005-06 Actual Results	2006-07 Actual Results
NSEQC	77%	79%	70%	66%
NRB	64%	63%	64%	60%
NWRDC	74%	48%	36%	N/A

Source: SNA committee/board records

SNA's three advisory committees were established to give northerners an opportunity to provide input into SNA's programming and developments and federal and provincial agencies' regulation of the uranium mining industry in the North. The measure reflects northerners' involvement in planning and decision-making processes; higher rates may indirectly reflect satisfaction with the committee.

In 2006-07, on average, 66% of NSEQC representatives attended meetings, a reduction from 70% in 2005-06. The slight decrease may be attributed to program and financial administration, and a full northern agenda that requires the attention of board members, as members take part in other northern activities.

NRB attendance results decreased 4% from last year's results (down from 64% to 60%).

The NWRDC did not meet in 2006-07. The Council's mandate expired on September 30, 2006, and, in consultation with west-side communities, is currently being replaced by a west-side RDC.

The greatest attendance challenges continue to be the North's vast geographic area (including associated travel costs and time) and committee members' competing priorities (work, business, and family commitments).

Percentage of uranium mining provincial operating license renewal applications that receive NSEQC input

Year	%
Baseline: 2002-03	100%
2003-04	100%
2004-05	100%
2005-06	100%
2006-07	N/A

Source: Northern Mines Monitoring Secretariat records

The Province of Saskatchewan requests NSEQC input into uranium operating license renewals. The measure demonstrates that the NSEQC continues to be recognized as a valuable committee to be consulted.

Operating license renewal applications do not occur annually, and no results are reported for 2006-07.

2006-07 Performance Results

Number of northern stakeholder representatives on key committees

Representatives on Committees				
	03-04	**04-05**	**05-06**	**06-07**
Northern Review Board (NRB)	7/9	9/9	9/9	9/9
Northern Development Board Corporation	12/12	10/12	12/12	12/12
Environmental Quality Committee (NSEQC)	30/32	32/32	32/32	32/32
Northwest Regional Development Council (NWRDC)	15/15	12/15	13/15	13/13
Regional Development Corporations (RDCs)				
Athabasca Economic Development and Training Corporation (AEDTC)	7/7	7/7	7/7	7/7
Central Cree Economic Development Corporation (CCEDC)	6/6	6/6	6/6	0/0
Creighton Regional Development Corporation (CRDC)	7/7	7/7	7/7	7/7
Northeast Development Association (NEDA)	5/5	4/4	4/4	4/4
Woodlands and Waterways Regional Development Corporation (WWRDC)	6/6	4/6	6/6	7/7

Source: Saskatchewan Northern Affairs

In 2006-07, approximately 70% of northern communities, and all northern regions (Athabasca, central, east, and west) were represented on key boards and committees, a slight decrease from 2006-07 results (75%). Stakeholder boards and committees provide northern communities opportunities to be involved in matters that affect them.

In 2006-07, the Central Cree Economic Development Corporation did not hold any meetings, and is currently inactive. As well, the NWRDC's mandate came to an end, and an RDC on the west-side is in the process of being established. SNA is in the process of evaluating its RDC program; any influence of the evaluation has yet to be determined.

The matrix in Appendix D allows SNA to identify potential gaps in representation. The number of representatives on each committee has remained similar from year to year.

Objective 2 – Northerners have access to financing, business, and employment opportunities

Many northerners face barriers that have the potential to impede their participation in the northern economy. Barriers can include: 1) limited mobility due to high transportation costs and the remoteness of communities; 2) insufficient workplace experience and training; or, 3) inability to acquire equity and/or financing. With access to financial support, business advice, and other similar programs, northerners can better participate in the economy, leading to increased self-reliance.

On the positive side, mineral exploration and commodity prices remained very strong in 2006-07, contributing to continued growth in this sector.

However, the commercial fishing industry continued to face increased input costs, lower prices from the pressure of a higher dollar, and a low volume catch. The forest industry also continued to struggle with northern Saskatchewan feeling the effects of a rising dollar, reduced US softwood market share, a global downturn in pulp demand, and oversupply of the Canadian softwood market. In April 2006, the Weyerhaeuser plant in Prince Albert closed.

Despite these challenges, SNA continued to advance this objective through the NDF loan and grant programs. SNA approved $1.81 million in loans, down slightly from $2.088 million in 2005-06.
One hundred percent of available NDF grant funds were approved in 2006-07, compared to 100% in 2005-06 and 92% in 2004-05.

Utilization of the Commercial Fishing Freight Subsidy and Price Support Program continued to decline to 54% of available funding, compared to 60% in 2005-06 and 69% in 2004-05, due largely to the continued challenges for fishers previously mentioned.

Key Results

Promote the development of northern capacity to take economic advantage of a growing range of environment service projects in the North (i.e., abandoned uranium mine clean-up). [2006-07 planned result]

- Advised colleague departments and agencies, as requested, on means to best engage northerners, including representatives of the NSEQC, in discussions on future plans and related opportunities for the clean-up of abandoned northern uranium mines sites.

Provide business and management consulting advice to potential NDF clients to support their business initiatives and help them to acquire financing. (Also contributes to Goal 2, Objective 2) [2006-07 planned result]

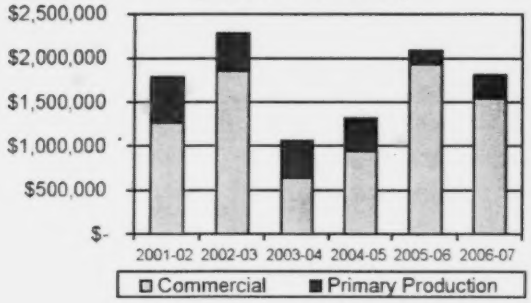
- Advised numerous clients on a diverse range of projects, including:
  - The Wings Over Canada video series to assist in promoting northern Saskatchewan as a tourism destination;
  - Northern Saskatchewan Tourism Visitors Guide;
  - Pinehouse Business North Development and other stakeholders, to assess the feasibility of a limestone mine near Pinehouse;
  - Peter Ballantyne Cree Nation and their private partners, on a proposed graphite mine at Southend;
  - CRDC, regarding opportunities and research into burbot liver oil; and,
  - Anglin Lake-La Ronge Natural Gas Committee, in pursuit of natural gas services to the La Ronge area.

Provide financial assistance in the form of loans and grants from the NDF to northern businesses, individuals, municipalities, and First Nations and primary producers (fishing, trapping, wild rice) to stimulate business and economic development and entrepreneurship in the NAD. (Also contributes to Goal 2, Objective 2). [2006-07 planned result; Budget and Performance Plan Summary for 2006-07]

2006-07 Performance Results

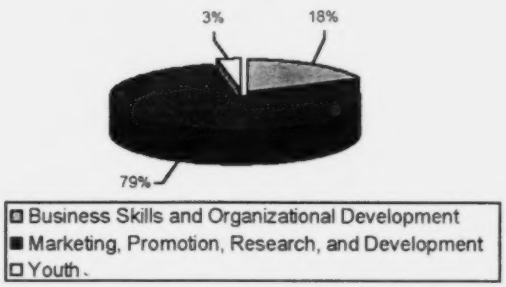
- Approved 10 commercial loans totalling $1,540,900 million and 54 primary production loans totalling $268,958, for total loans of $1.81 million.
- The decrease in loans from 2006-07 was largely due to the instability of the forestry industry.
- SNA disbursed $1.379 million of the $2.5 million in loan capital.

Total NDF Loans Approved: 6 years (2001-02 to 2006-07)



- Approved 33 NDF grants for a total of $208,506, compared to 31 grants for $211,659 in 2005-06 and 33 grants for $225,170 in 2004-05.
- SNA disbursed $174,624 of the $205,000 available for NDF grants, compared to $180,418 in 2005-06.

2006-07 NDF Grants Approved by Grant Type



Provide proactive "after care service" to NDF loan clients to increase the long-term success of NDF-funded business ventures. (Also contributes to Goal 2, Objective 2) [2006-07 planned result]

- SNA continued to provide after care services to loan clients, including:
  - regular contact by telephone and letter to provide financial advice and assist with problem resolution;
  - follow-up visits to communities and clients for technical support and assistance when applying for new loans.

Assist commercial fishers by providing transportation subsidies for hauling fish to processing plants. [2006-07 planned result]

- Three hundred and eighty-eight (388) fishers received $209,601 from the Commercial Fishing Price Support and Freight Subsidy Program, compared to 560 and $231,000 in 2005-06.
- The continued decline reflects increased costs, lower prices, and a low volume catch.

Conclude the program evaluation of the loan component of the NDF and implement the approved improvements to the program. (Carry over from 2005-06) [2006-07 planned result]

- Advanced research and analysis.
- Conducted consultations with more than 100 stakeholders.
- Program enhancements will be finalized and implemented in 2007-08.

Promote business development, entrepreneurship and employment to youth in the North by attending and/or supporting various forums such as job fairs and business conferences. [2006-07 planned result]

- Supported the "Tourism Ready to Work" program with the Saskatchewan Education Tourism Council:
  - 71 students in total participated in the Ready to Work programs with 61 students still engaged in employment.

2006-07 Performance Results

- Sessions were held in La Ronge, Creighton, Stony Rapids/Black Lake and Beauval.
- A vast majority of the students were hired by Athabasca Catering, with the students working in the mines.
- "Introduction to Entrepreneurship," a Youth Opportunities Unleashed workshop, was delivered to the Ready to Work participants as well as "Managing Personal Finance" workshops and workshops on basic math skills.
- Participated in the Inter-provincial Association on Native Employment symposiums in Ile-a-la Crosse and La Ronge.

Complete the program evaluation of the Northern Fish Transportation Subsidy and Price Support Program, and implement the approved improvements to the program. (Carry-over from 2005-06)
[2006-07 planned result]

- Advanced project planning and preliminary research. Due to other priorities, the program evaluation has been deferred to 2007-08.

Continue to support the Saskatchewan Co-operative Fisheries Ltd. (SCFL) in their effort to establish and operationalize a fish processing facility in Prince Albert. (Also contributes to Goal 2) [2006-07 planned result]

- Provided financial support, through the NDA, to assist the SCFL in assessing the feasibility of establishing a Saskatchewan-based processing and marketing operation for commercial landings.
- SNA continues to provide technical advisory support and assistance to the SCFL, its co-operatives in the NAD, and their individual members.

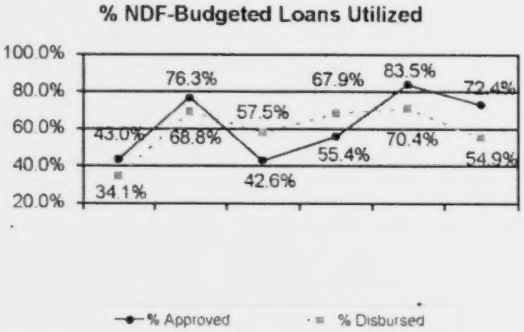
Additional Results

In addition to progress made on planned actions, other key results include:

- Commenced a program evaluation of the RDC component of the NDF which included project planning, research and analysis, and stakeholders consultations. Program enhancements will be finalized and implemented in 2007-08.

Measurement Results

Percentage of NDF budgeted funds utilized
- Loans
- Grants



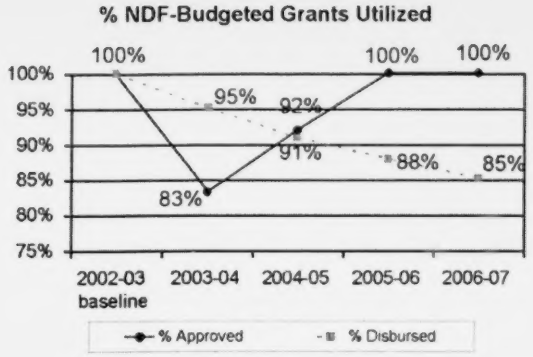
Source: NDF loan program and MIDAS reports

This measure shows the extent to which northerners are accessing the NDF loan and grant funds, allowing the Department to determine if services/program delivery need to be strengthened.

NDF loans worth $1.81 million were approved in 2006-07, compared to $2.08 million in 2005-06 and $1.108 in 2004-05. The NDF loan program utilized 72.4% of its original budgeted loan capital, compared to 83.5% of its capital in 2005-06. The decreased demand was due to continued instability of the forestry industry.

A review of the NDF loan program, which will be completed 2007-08, will determine if further program improvements are possible.

2006-07 Performance Results



Source: NDF grant program, SNA; MIDAS reports

One hundred percent (100%) of NDF grant program funds were approved, compared to 100% in 2005-06, 92% in 2004-05, and 83% in 2003-04. However, actual NDF grant funds disbursed continued their decline to 85%, down from 88% in 2005-06, 91% in 2004-05, and 100% five years ago.

SNA's influence over actual disbursements is limited to ensuring applicants intend to fully utilize funds and that projects are completed by March 31 of each fiscal year.

The amount of NDF grant funds available remained constant at $205,000.

Number of estimated person-years of employment created or maintained through the assistance of the Northern Development Fund per $100,000 loan funds provided overall

- ***Commercial loans***
- ***Primary production loans***

Estimated Person Years of Employment Created/ Maintained per $100,000 NDF loan funds provided		
Year	**Commercial**	**Primary Production**
Baseline: Sept. 30, 2003	6	16
2003-04 year-end	5	18*
2004-05	10	13.6
2005-06	11	20
2006-07	2	22
Primary Production Conversion Rates (assumptions): Wild rice: one job created/maintained = 0.25 person yrs of employment Trapping: one job created/maintained = 7/12 person yrs of employment Fishing: one job created/maintained = 0.5 person yrs of employment		
*corrected from *2003-04 Annual Report* to reflect seasonal nature of primary industries		

Source: Saskatchewan Northern Affairs

The NDF loan program provides loans to primary producers and northern entrepreneurs/ businesses; a potential spin-off is the creation or maintenance of full-time, part-time or seasonal jobs. SNA tracks the estimated number of person years of employment created or maintained per $100,000 loan funds provided. This measure demonstrates, in part, the NDF's contribution to the labour economy.

In 2006-07, the NDF commercial loan program helped create/maintain two person years of employment per $100,000, compared to 11 in 2005-06 and 10 in 2004-05. The decrease in 2006-07 reflects a change in the nature of the projects funded and in the methodology used to collect and interpret the data. The NDF primary production loan program helped create/maintain 22 person years of employment per $100,000, compared to 20 in 2005-06 and13.6 in 2004-05.

The sustainability of primary producing operations and commercial businesses are influenced by the strength of various sectors and economic forces. For example, the United States softwood lumber dispute has resulted in challenges for the forestry and transportation industries.

2006-07 Performance Results

Amount of government federal/provincial/ municipal funding secured for co-operatives

Year	Amount secured
2002-03 (baseline)	$0
2004-05	$2,151,000*
2005-06	$0
2006-07	$277,500
* $2.05 million of this funding is conditional on projects going ahead: (1) Co-op housing unit in La Ronge ($1.3 million); and (2) Fish processing facility in Prince Albert.	

Source: Saskatchewan Northern Affairs

SNA provides advice and support services to new and existing co-operatives. As needed, SNA assists co-operatives to secure federal, provincial, and municipal funding. This measure demonstrates one aspect of SNA's impact on co-operatives, through various funding sources. In 2006-07, SNA also focused its attention to building capacity of co-operatives through training workshops for boards.

In 2006-07, co-operatives were able to secure $277,500 funding; SNA's primary focus was on assisting in securing funding for the proposed fish plant.

Number of fishers provided with subsidy payments

Year	Number of fishers			
	FFMC	Carlson Fish Products	Athabasca Distributing Ltd	Total
2002-03	697	61	N/A	758
Baseline: 2003-04	721	88	N/A	809
2004-05	588	59	12	659
2005-06	541	19	0	560
2006-07	378	10	0	388

Sources: 1) Freshwater Fish Marketing Corporation
2) Saskatchewan Northern Affairs

For the "person years of employment" definition, please view SNA's 2006-07 Performance Plan, available online at: http://www.northern.gov.sk.ca/docs/publications/performplan06_07.pdf

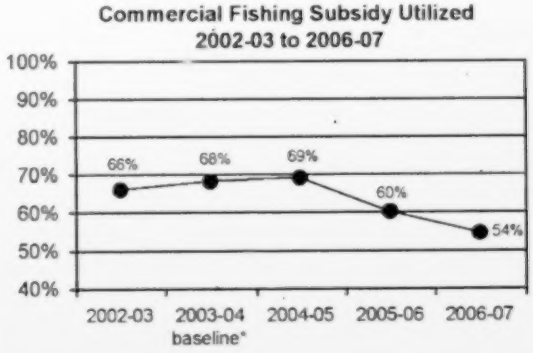
In 2006-07, 388 fishers accessed the subsidy program for a total of $209,601. This compares to 560 fishers ($231,00) in 2005-06, 659 fishers ($265,000) in 2004-05, and 809 fishers ($302,000) in 2003-04. The declining trend is due to the following:

- decreased market value for fish;
- increased cost to harvest fish (with the price of fuel); and,
- fish market's reliance on export sales in US dollars, a stronger Canadian dollar has resulted in lower payments to fishers.

All of these factors have affected the number of fishers who can afford to continue fishing, and therefore reduced the usage of the subsidy. SNA commenced an evaluation of the program in 2005-06, and will continue this evaluation in 2007-08, which will include stakeholder consultations.

Percentage of budgeted commercial fishing transportation subsidy utilized

The Commercial Fishing Freight Subsidy



and Price Support Program helps to offset transportation costs for fishers in the NAD, particularly those fishing the most isolated lakes. Without the subsidy, many fishers would have difficulty transporting fish to be processed. These measures reflect the number of people who access the fishing subsidy and price support program and the volume of fish transported that were eligible for subsidy.

See above for trends in the fishing industry.

Goal 2 - A viable and sustainable northern economy

Objective 1 – Provide capital, business and infrastructure support in the North

Capital, business, and infrastructure support provides a foundation to help make the northern economy strong and sustainable. The development of infrastructure (e.g., roads, energy, and power) and the availability of financial resources better enable northerners to participate in the northern economy, and can stimulate diverse employment options and resilience to market fluctuations.

SNA made steady progress advancing this objective in 2006-07. Funding approved under the NDA provided $3.19 million for 11 projects. Progress was also made on a $19.5 million economic development package for the Primrose Lake area, and on a major northern roads project. SNA continued to build partnerships with stakeholders to support economic growth and diversification, and to help maximize northern benefits from major projects.

Key Results

Implement the $19.5 million Canada-Saskatchewan investment, for advancing economic development and infrastructure, with four Primrose Lake communities impacted by the establishment of the Primrose Lake Air Weapons Range.
[2006-07 planned result; Budget and Performance Plan Summary for 2006-07]

- Worked with the federal government and the negotiating committee of the four Primrose Lake Communities to establish the contribution agreements, bylaws, trust agreement, and Primrose Lake Economic Development Fund.
- The federal government and the four affected communities signed the Canada-Primrose Lake Community Economic Development Agreement on March 31, 2007.
- The provincial government and the four affected communities expect to sign the Saskatchewan-Primrose Lake Economic Development Agreement in July 2007.

Work with the Department of Highways and Transportation and northern stakeholders to maximize the social and economic benefits associated with implementation of the Northern Economic Infrastructure Strategy and the construction of the all-season road connector between Fort McMurray, Alberta, and Garson Lake, Saskatchewan.
[2006-07 planned result]

- Construction work began under the $65.5 million Northern Economic Infrastructure Strategy (NEIS) that was announced in November 2005 to upgrade existing roads and build new all-season roads.
- SNA and the Department of Highways and Transportation formed a technical working committee of government departments and training agencies to advise on how to maximize northern benefits from the NEIS.
- The Department of Highways and Transportation hired a northern project co-ordinator, based in SNA's La Ronge office, to lead the effort to ensure that northerners get the maximum benefits of training, employment and entrepreneurship through the NEIS.
- Further clearing and widening was completed on the Garson Lake road, and the environmental approval process began on the Wollaston Lake road. Upgrades were made to Highways 155, 911 and 918.

Plan and lead the co-ordinated delivery of investments under the NDA with provincial, federal and northern partners to develop large-scale, strategic projects leading to full commitment of funds before February 2007.
[2006-07 planned result]

- Eleven (11) projects were approved in 2006-07 for a total funding commitment of $3.19 million, representing 16% of the $20 million available under the five-year agreement. Projects include:
  - $254,559 to Saskatchewan Co-operative Fisheries Ltd for a comprehensive market assessment and updated business plan.
  - $1.013 million to the AEDTC for a highways improvement;
  - $1.12 million for various training programs (Heavy Equipment Operator, Oil Rig Drilling,

Chemical Technology, Management Certificate and Apprenticeship training);
- $232,600 to Amisk Atik Forest Management for the development of a Forest Management Agreement.
- The NDA was extended for one year to March 2008.

Building on northern tourism planning models developed and piloted from 2003 to 2005, support the development of regional tourism plans, beginning in the northwest.
[2006-07 planned result]

- Continued to encourage and assist communities to develop their community tourism plans in partnership with Tourism Saskatchewan. Planning began in Beauval with sessions planned for Patuanak and La Loche.

Co-ordinate investor-northern partner discussions to identify and plan prospective northern development projects and strategic business alliances, focusing on mining, forestry, and tourism sectors.
[2006-07 planned result]

- Continued work with the Departments of Environment and Industry and Resources to assist an Alberta company's further exploration for Saskatchewan oil sands and facilitated the company's discussions with local contacts on the proposed program and possible training, employment, and business benefits.
- Continued work with the Northern Village of La Loche and the Clearwater River Dene Nation to help them begin work on developing an integrated Economic Development and Land Use Plan for their region. SNA assisted the communities securing $480K from the NDA to acquire expertise to assist in planning.
- Continued work with Jans Bay, Cole Bay, Beauval, and Ile-a-la Crosse and federal government representatives to develop an implementation plan for the $19.5 million Primrose Lake economic development package announced in March 2005.

Work with northern organizations to plan and co-ordinate business forums for northern businesses, entrepreneurs and industry partners. (Also applies to Goal 1, Objective 1)
[2006-07 planned result]

- The NDBC, with assistance from SNA and Western Economic Diversification Canada, held a regional Economic Development Workshop in Creighton in April 2006. Organizations discussed current economic development initiatives in the region. Presenters included Amisk Atik Forest Management Inc., North Sask Tourism, Tourism Saskatchewan, NEDA, and the Departments of Highways & Transportation and Agriculture & Food.

Work with the Departments of Environment and Industry & Resources to assist northern value-added processing/manufacturing opportunities in the commercial forest sector, and to advise specific northern partners on capturing opportunities.
[2006-07 planned result]

- As a board member, SNA continued to provide input into Saskatchewan Forestry Centre (SFC) initiatives.

Work with the Departments of Agriculture & Food and Environment in realizing increased value of production from non-timber forest products, including through the clarification of various permitting/approval requirements.
[2006-07 planned result]

- Continued work with the Departments of Agriculture & Food and Industry & Resources, in conjunction with Western Economic Diversification Canada and NDA, to complete projects approved in the 2005-06 fiscal year. Disbursements included $24,000 for the burbot liver oil project and $105,000 to examine commercial uses for arbochemicals.
- Approved two NDF grants for the following projects:
  - Burbot liver oil micro-encapsulation ($8,375)
  - Peat drying pilot project with goal to commercialize ($9,900)

2006-07 Performance Results

With Saskatchewan Property Management (SPM), complete the evaluation of the Northern Procurement Policy. (Carry over from 2005-06) [2006-07 planned result]

- Deferred the evaluation of the Northern Procurement Policy.

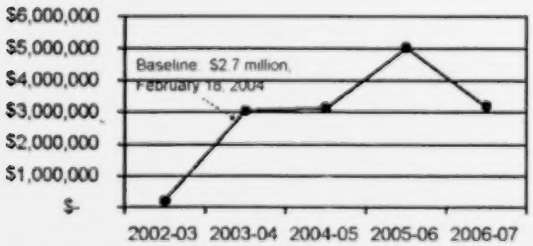
Additional Results

In addition to progress made on planned actions, other key results include:

- In December, 2006, the provincial government negotiated the transfer of ownership of the Silver Lake Farm to the Northern Village of Green Lake. Ownership will give the Village more flexibility and equity when pursuing development opportunities, whether in agriculture or other industries. The Village had been leasing Silver Lake Farm from the government for use in the Village's community farm operation.
- Worked with Tourism Saskatchewan and other northern tourism stakeholders to increase management and ownership of tourism businesses by northerners. As a board member, SNA continues to play a key role by providing input to Tourism Saskatchewan and Northern Saskatchewan Tourism initiatives.
- Continued to work directly with new emerging northern tourism businesses to provide marketing and business development advisory services.

Measurement Results

NDA funding approved per year (includes federal and provincial funding)



Source: Saskatchewan Northern Affairs

The data reflects NDA expenditures approved per year, rather than disbursed. Funds for approved projects may be disbursed in subsequent years until March 31, 2009, based on project implementation/progress.

In October 2002, the provincial and federal governments each committed, under the Northern Development Agreement, $10 million over five years (2002-07) to support capacity building and economic infrastructure development in the NAD. A Tripartite Management Committee, comprised of members from Northern Development Board Corporation and provincial and federal governments, oversees the NDA.

This measure shows how much funding is provided under the agreement each year. Since 2002, 47 projects with a total expenditure of $14.6 million have been approved. The first two years focused primarily on establishing the NDA delivery framework. More projects were approved in the last three years due to a streamlined application and approval process, and increased administrative and technical support in 2005-06 and 2006-07.

Objective 2 - Increased management and ownership of businesses by northerners

The number of businesses located in the NAD and owned by northerners is indicative of the local economy's strength. Keeping a greater portion of business revenues in the NAD encourages more spending locally and reinvestment in the community.

SNA continued to make steady progress advancing this objective. The Department continued to assist fishing co-operatives' efforts to establish a fish processing plant in Saskatchewan. In addition to providing consulting advice to clients, SNA supported the development of three co-operatives, incorporated two co-operatives, and delivered two governance workshops.

2006-07 Performance Results

Key Results

Lead and co-ordinate the development of northern co-operatives to build northern capacity, access available resources, promote northern ownership of businesses and develop housing projects.
[2006-07 planned result]

- Continued to support development of an Activity Centre co-op for youth and adults, a housing co-op and an office building co-op in La Ronge.
- Completed the pilot project for Co-operating Traplines, a program that gives young offenders the opportunity for intensive life skills training on northern traplines. The results of this pilot were positive and we will be continuing to develop it as an alternative measure for use across the North.
- Assisted fishing co-ops' efforts to establish a fish processing plant in Saskatchewan.
- Delivered two governance workshops to the board of the Saskatchewan Co-op fisheries.
- Incorporated the Green Lake Fishers Co-operative.
- Incorporated a Natural Syrup Co-operative at Cumberland House.
- Assisted Pinehouse in its effort to host the Special Olympics for 2008.

Provide business and management consulting advice to potential NDF clients in order to support their business initiatives and acquire financing. (Also contributes to Goal 1, Objective 2) [2006-07 planned result]

- See Goal 1, Objective 2 for results.

Provide financial assistance in the form of loans and grants from the NDF to northern businesses, individuals, municipalities, First Nations Bands and primary producers (fishing, trapping, wild rice) to stimulate business and economic development and entrepreneurship in the NAD. (Also contributes to Goal 1, Objective 2)
[2006-07 planned result; Budget and Performance Plan Summary for 2006-07]

- See Goal 1, Objective 2 above for results.

Provide proactive "after care service" to NDF loan clients to increase the longevity and success of NDF-funded business ventures. (Also contributes to Goal 1, Objective 2)
[2006-07 planned result]

- See Goal 1, Objective 2 above for actual results.

Measurement Results

Percentage of northern businesses in NAD owned, in part or whole, by northerners

66% [June 2005]

Increased ownership of businesses in the North by northerners is integral to building economic self-reliance. The percentage of northern businesses owned by northerners is one indicator of building a sustainable northern economy. SNA has minimal influence over this measure, but does play a supporting role through programs such as the NDF and the facilitation of co-operative development.

SNA is in the process of re-evaluating, and improving upon, its performance measures. Data was not collected in time for the completion of this annual report.

A northerner is defined as someone who has lived in the NAD for 10 or more years or for more than half of his or her life.

Goal 3 - Responsive and effective government in the North

Objective 1 - Strengthened communication of government activities related to economic development in the North

Effective communication ensures the public is well-informed about available services and new programs. Northern Saskatchewan presents several communication challenges, given its sparse population spread over a large region. In addition, English is a second language for many Aboriginal northerners.

SNA used several communications vehicles to raise the profile of many programs in the North: a regular radio feature, a website (with links to relevant government services), local papers, and brochures. Northerners place a high value on personal meetings among various leaders, and SNA uses these opportunities whenever possible.

The Department made good progress advancing this objective. SNA provided communications support to other departments and agencies, including working with the Department of Labour to organize public consultations for the Northern Exemption.

In addition to producing the 32 Northern Focus radio features, SNA began to produce a series of radio interviews with mine employees to help encourage northern youth into education towards professional careers.

Key Results

Develop and implement a strategic communication plan that focuses on: increasing awareness of SNA's mandate, programs, and strategic activities; improving communication with SNA's northern economic development boards, committees, stakeholders, and partners; and, improving provincial government communications to and with northern people to increase awareness and utilization of the broad range of provincial programs and services provided within the NAD. [2006-07 planned result]

- Broadcasted 32 weekly radio programs. The radio program used feature interviews to profile the work of SNA and other agencies engaged in northern development.
- Placed print advertisements and editorials in newspapers and magazines promoting: the NDF, business consulting services, key northern industrial sectors, and northern tourism.
- Prepared six SNA news releases, and contributed to five joint news releases with other departments.
- Maintained the SNA website with current contact information and links to recent news.
- Provided communications support to:
  - Department of Highways and Transportation's Roads to Prosperity program (Northern Economic Infrastructure Strategy);
  - The Departments of Environment and Corrections and Public Safety on communications during the Churchill River/ English Fire complex in July;
  - Northern Justice Symposium, and the Northern Health Conference, organized by New North (Saskatchewan Association of Northern Communities);
  - Sixteen (16) provincial departments and Crowns on northern issues, emerging and long-term.
- Worked with the Department of Labour to organize the public consultation process and 15 community visits regarding the Northern Exemption, commonly termed the Overtime Exemption.

Continue to deliver NMMS communications to increase northerners' awareness of the uranium sector's current operating requirements and challenges (i.e. regulatory, human resource), and its future outlook. [2006-07 planned result]

- Continued to publish NSEQC News, a four-page insert in the business periodical Opportunity North, an important communication vehicle in northern Saskatchewan.
- Began production of a series of radio interviews focused on the available careers

within mining, and the education and training necessary to pursue those careers.

Measurement Results

Number of Northern Focus newsletters and weekly radio features

Year	Newsletters	Radio Features
Baseline:		
2002-03	2	30
2003-04	1	21
2004-05	1	34
2005-06	1	36
2006-07	0	32

SNA delivers various communication materials throughout northern Saskatchewan on a regular schedule. The Northern Focus newsletters and radio features profile provincial government services available to northerners, in addition to activities and news events impacting northerners.

This output measure is directly related to the objective of increasing SNA's profile and communicating with stakeholders, and it shows a slight decrease in performance compared to 2005-06. In 2006-07, SNA strategically allocated resources to support other provincial department initiatives (e.g. Northern Exemption). SNA has a high degree of control over this measure.

Distribution of NMMS/NSEQC insert in Opportunity North publication (measured as the number of copies distributed)

Year	Distribution of insert
Baseline:	
2002-04	45,000
2003-04	45,000
2004-05	49,000
2005-06	47,500
2006-07	47,500

The NMMS publishes a four-page NSEQC News insert in Opportunity North, a northern periodical distributed to all households (approximately 9,500) in the NAD five times a year. This output measure is directly related to strengthening communications of NMMS and NSEQC activities.

In 2006-07, a total of 47,500 copies of the periodical were distributed across five issues, the same as in 2005-06. SNA directly influences this measure by purchasing space to produce the insert.

Number of NMMS/NSEQC school presentations related to uranium development:

- ***number of schools visited***
- ***number of students participating***

Year	# schools visited	# students
Baseline: 2003-04	5	153
2004-05	6	250
2005-06	1	8
2006-07	N/A	N/A

In 2006-07, SNA and the Department of Environment discontinued their joint presentations to northern schools on environmental monitoring activities around northern uranium mine operations. This action was taken in response to the Department of Environment's decision to evaluate the merits of their Cumulative Effects Monitoring Program (CEMP) within the context of new available science and realignment of the Department's limited resources and with an eye to improving its future delivery.

However, in 2006-07, SNA began to produce a series of radio interviews with mine employees about careers and training, with the aim of channeling northern youth into the appropriate education and professional careers.

2006-07 Performance Results

Objective 2 – Coordinated and transparent delivery of government services among government departments and northern partners in the North

One of SNA's responsibilities is to improve planning and co-ordination of activities between provincial and federal government departments and northerners. Successful planning and coordination will increase the effectiveness of programs and initiatives.

SNA made significant progress in advancing this objective.

SNA, with other co-lead departments, also contributed to the development of a new institutional control policy to address the long-term monitoring and maintenance of reclaimed mine/mill sites on Crown lands, resulting in new regulations under the Reclaimed Industrial Sites Act being passed in 2006-07.

SNA and the Department of Labour jointly organized the communications and public consultation process for a review of the Northern Exemption to hours of work legislation, often called the overtime exemption. These two Departments, along with the Department of Industry & Resources, provided support for Regina Northeast MLA Ron Harper as he reviewed the Northern Exemption and produced a report with recommendations to the Premier.

Key Results

Support the implementation and management of the federal-provincial Agreement on the clean-up of abandoned uranium mines. [2006-07 planned result; Budget and Performance Plan Summary for 2006-07]

- Continued to liaise with the lead agencies on the project, Department of Industry & Resources and Saskatchewan Research Council.
- Advised on ways to advance discussions with northern interests on training, job and commercial opportunities, including potential partnerships, related to project planning and delivery.
- Over the course of several meetings during the year, community representatives of the Athabasca sub-committee of NSEQC provided critical inputs to Saskatchewan Research Council project managers regarding the priority and sequence with which the various legacy uranium mine and exploration sites in the region should be decommissioned and reclaimed.

Lead and manage Saskatchewan's contributions to, and participation in, the Northern Development Ministers Forum designed to advance cross-jurisdictional northern initiatives in selected priority areas. For 2006-07, the priority areas include: northern awareness enhancement, innovation, transportation, maximizing the economic and social impacts from major projects, and education, training, employment and knowledge. [2006-07 planned result]

- Represented Saskatchewan at the annual Northern Development Ministers' Forum in Whitehorse, Yukon (February 2007).
- Participated in the development of *Initiatives to Maximize Economic and Social Impacts from Major Projects in the North: Activities Report 2005-06 and Recommendations*, and associated sub-working group.
- Participated in the Northern Transportation Investment Strategy working sub-group.
- Co-ordinated Saskatchewan's contribution to the Education, Training, and Employment Priority Project Report 2006.

Advance government planning, co-ordination and communications under the Northern Strategy to be more inclusive of other government initiatives and strategies that impact the North. [2006-07 planned result]

- Negotiated with the federal government a one-year extension to the NDA, one of the enabling mechanisms of the Northern Strategy.
- Contracted an evaluation of the NDA.

Continue to pursue opportunities to negotiate an intergovernmental agreement with Alberta Aboriginal Affairs and Northern Development

to advance areas of mutual socio-economic interests in the northern regions of Saskatchewan and Alberta. (Carry over from 2005-06) [2006-07 planned result]

- SNA was not able to advance this key action during 2006-07.

Negotiate and administer northern mineral surface lease agreements with industry to: (1) continue effective, efficient and co-ordinated government support for future development of the northern mineral sector; and (2) reinforce provincial regulatory control in the areas of environmental protection and occupational health and safety of workers. [2006-07 planned result]

- Negotiated a new 20-year surface lease for Cameco's Beaverlodge site (a former legacy uranium mine site) and a two-year extension of Cameco's lease for the former Contact Lake site north of La Ronge. Both leases support continued clean-up work and monitoring of these former mine sites.
- Commenced negotiations with Claude Resources to amend its Seabee gold mine surface lease northeast of La Ronge to permit the mining of nearby small ore deposits to the east of the current mine/mill lease site.
- Provided feedback on various northern resource development project proposals, thereby providing early identification of opportunities for northern benefits. Proposals included:
  - Additional applications for further oil sands drilling programs north of the Clearwater region;
  - AREVA's proposal to amend mining methods at its Midwest mine site, and to extend mining and milling activities at its McClean Lake project; and,
  - Black Lake First Nations' plans for the Elizabeth Falls hydroelectric project.

Identify and advance, with colleague departments and agencies, further improvements to Saskatchewan's northern mining policy and procedural framework to encourage more investment in future developments and stimulate greater socio-economic benefits for northerners. [2006-07 planned result]

- Advanced, with the Departments of Industry & Resources and Environment, new regulations under *The Reclaimed Industrial Sites Act* to address the long-term monitoring and maintenance of reclaimed mine/mill sites on Crown lands. The new policy should help to attract increased investment in the northern mineral sector as companies will be more certain of their obligations surrounding decommissioning.
- Provided input into the update of the *Oil Shale Regulations*.
- Assisted in the development of the government's May 2006 guidelines for consultation with First Nations and Metis people.
- Assisted colleague departments' efforts to develop, with the northern mineral exploration industry, new guidelines (best management practices) related to the engagement of local communities in supporting exploration activities.
- Developed, with colleague provincial regulatory agencies, new procedures to address surface rights required for short-term mining operations, and clarified appropriate land tenure requirements needed for the decommissioning of legacy mine sites on Crown lands in northern Saskatchewan including necessary restrictions on third party access to such sites for resource exploration/development purposes.

Lead the development and implementation, with partner departments/agencies, of a co-ordinated Government of Saskatchewan corporate strategy to negotiate appropriate Canada-Saskatchewan response(s) regarding abandoned northern Saskatchewan uranium mines. [2006-07 planned result]

- Under the Department of Industry & Resources' lead, the Government of Saskatchewan concluded in September 2006 a formal agreement with Canada to equally cost-share the clean-up of former legacy uranium mine/mill sites in the Athabasca region.

2006-07 Performance Results

Promote northern forest sector clients' and partners' increased appreciation/awareness of regulatory, policy and trade-based requirements and challenges surrounding the establishment and expansion of processing and manufacturing facilities.
[2006-07 planned result]

- SNA will no longer pursue this key action, as other agencies have played a major role in educating Saskatchewan's forest sector businesses on the complexities and risks in this sector.
- Softwood lumber trade talks have resulted in the forestry industry becoming more familiar with the issues.

Measurement Results

Number of Tripartite Management Committee (TMC) meetings held to advance the NDA

Number of TMC meetings	
Year	Number of meetings
2003-04 (baseline)	3
2004-05	6
2005-06	5
2006-07	5

The TMC oversees the management of the NDA. The committee is comprised of two members each from the NDBC and provincial and federal governments. The NDA is a complex agreement, involving many partners in its delivery. Frequent and effective communication among partners is required to ensure smooth delivery of the agreement.

In 2006-07, the TMC met five times, compared to five meetings in 2005-06, six in 2004-05, and three in 2003-04.

This output measure demonstrates more opportunities for NDA projects to be approved throughout the year.

2006-07 Financial Results

Summary of Expenditures

The following table outlines information on actual and budgeted expenditures by subvote and subprogram. Explanations are provided for all variances that are greater than $50,000.

Subvote	2006-07 Estimates ($000s)	2006-07 Actual ($000s)	Variance Over/(Under) ($000s)	Notes
Central Management and Services (NA01):				
Minister	465	403	(62)	1
Deputy Minister	398	531	133	2
Financial and Central Services	217	212	(5)	
Accommodation – Regina Office	110	128	18	
Administration – Regina Office	194	274	80	3
Northern Strategy (NA03):				
Planning, Policy & Program Evaluation	318	302	(16)	
Northern Development Agreement	300	580	280	4
Resources and Economic Development (NA04):				
Business Programming and Financial Services	1,851	1,433	(418)	5
Resource and Policy Development	459	541	82	6
Northern Development Fund	512	408	(104)	7
Northern Development Fund – Loan Loss Provision	500	322	(178)	8
Northern Commercial Fish Subsidy	385	210	(175)	9
Total Appropriation	5,709	5,343	(365)	
Amortization	7	7	0	
TOTAL EXPENDITURES	**5,716**	**5,350**	**(365)**	

Explanation of Major Variances

1. Reflects lower travel expenditures by the Minister.
2. Reflects 2 grants provided under The Government Organization Act and The Northern Affairs Act, one administrative support position, and higher travel expenditures for the Deputy Minister.
3. Reflects acquisition of a new loans management system.
4. Reflects $255K provided for a comprehensive market assessment of Saskatchewan's commercial fishing industry.
5. Reflects savings due to 5 vacant positions and under-spending.
6. Reflects costs associated with 2 administrative support positions that were not budgeted.
7. Reflects under-spending of the RDC and NDF grant programs.
8. Reflects lower allowance required for NDF loans.
9. Reflects less demand for fish subsidy due to fishing conditions.

For More Information

If you would like to obtain further information, ask questions or provide comments on the Annual Report, or would like additional copies, please contact:

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For further information relating to the department's programs, please visit us online at:
http://www.northern.gov.sk.ca

Appendix A: Northern Administration District Map

Source: Saskatchewan Learning, La Ronge, SK
May 2002

Appendix B: Glossary

Commercial Fishing and Freight Subsidy and Price Support Program: Provides financial support for the commercial fishing industry in northern Saskatchewan through two components: a freight subsidy and a price support mechanism. The freight subsidy helps equalize transportation costs for fishers from different regions throughout the North. The price support mechanism compensates for reduced market prices or increased operating costs.

Mineral Surface Lease Agreement: All mining companies operating in the North are required to negotiate a surface lease agreement with the provincial government before undertaking commercial production. The agreement provides the proponents with long-term land tenure and, in the case of uranium mining operations, reinforces provincial regulatory authority over environmental protection and worker health and safety matters. Beyond addressing business opportunities and other socio-economic benefits for northerners from mining operations on Crown lands, the surface lease agreements, through separate Human Resource Development Agreements required as a condition of the surface lease, also address training and employment opportunities for northerners.

Northern Administration District (NAD): Geographic area described in the Northern Municipalities Act. A map of the NAD can be found in Appendix A.

Northern Development Accord: Memorandum of understanding that will provide for the development of a strategic framework to guide the efforts of federal and provincial governments and northern communities to improve the living conditions and enhance the economic opportunities available to northerners. The first funded initiative under the Accord is the Canada-Saskatchewan Northern Development Agreement.

Northern Development Agreement: Agreement to promote and support sustainable economic development for northern Saskatchewan and encourage the full participation of Northerners in the Saskatchewan economy. The Agreement includes funding of $20 million over a five-year period, cost shared equally by the governments of Canada and Saskatchewan.

Northern Development Board Corporation: Provides advice and recommendations on initiatives and priorities to achieve the vision and goals of the Northern Development Accord, and complements the roles of existing northern bodies leading to improved government decision-making for northern Saskatchewan. Board representation includes two members each from New North, Athabasca Economic Development and Training Corporation, Meadow Lake Tribal Council, Prince Albert Grand Council, and four members from the Métis Nation of Saskatchewan.

Northern Development Fund: Fund established in February 1995 to stimulate and support economic and business development in northern Saskatchewan, and to encourage diversification and job creation. The fund provides: 1) commercial loans to northern business; 2) primary production loans to trappers, commercial fishers and wild rice growers; 3) grants for marketing, research and development; organizational development and business skills training; financial support to northern youth entrepreneurs for business skill development.

Northern Hire Policy: Policy to enhance employment opportunities for northerners within the northern operations of Executive Government. To be considered a "northerner" for the purposes of this policy, an applicant will have lived in the Northern Administration District for ten (10) years or one-half (1/2) of his or her life.

Northern Mines Monitoring Secretariat: An interdepartmental committee, chaired by SNA, dedicated to acquiring and disseminating information about Saskatchewan's uranium mining industry and coordinating activities of the Northern Saskatchewan Environmental Quality Committee. Current membership of the NMMS includes provincial departments with regulatory and developmental roles in the uranium industry, and the federal Canadian Nuclear Safety Commission.

Northern Review Board: Board that oversees the Northern Development Fund, composed of experienced business people, leaders and professionals from various northern communities. The Board advises government on policies, programming, and administration of the fund. Members review and make recommendations on NDF loan applications of more than $25,000, and act as an appeals board on smaller loans that may be declined by NDF administrators.

Northern Strategy: An agreed statement of goals and objectives for further social, economic and political development in the NAD. The Strategy includes three "enabling mechanisms" - new measures intended to support the Strategy's goals and objectives. They are: a Northern Development Board, a Strategic Opportunities Assessment, and a Northern Development Agreement.

Northern Saskatchewan Environmental Quality Committee: Vehicle to receive perspectives from, and communicate information to, northern communities on environmental protection, worker health and safety, and socio-economic performance in the uranium mining industry. The NSEQC has, since 1995, acted as a communication bridge between northerners, the uranium industry, and regulators of the industry, and is comprised of 32 representatives of "impact communities" as defined in the Human Resource Development Agreement negotiated for each mine.

Northern Saskatchewan Tourism Task Team: A coordinating body comprised of representatives from the northern tourism industry, community and regional development interests, SNA, Saskatchewan Environment, Aboriginal Business Canada, and Tourism Saskatchewan. It was created in the spring of 1998 by SNA as a follow-up to the Forum '98 Northern Business conference.

Northwest Regional Development Council: The Northwest Regional Development Council was developed to serve as an advisory body to the Minister of Northern Affairs. Individuals are appointed to the Council by the Minister of Northern Affairs for the period of one year.

Regional Development Corporations: Vehicles that enhance regional and business development opportunities in the Northern Administration District.

Tripartite Management Committee: Management body overseeing the Northern Development Accord and Agreement. It consists of two representatives each from the Northern Development Board Corporation (NDBC), and the provincial and federal governments.

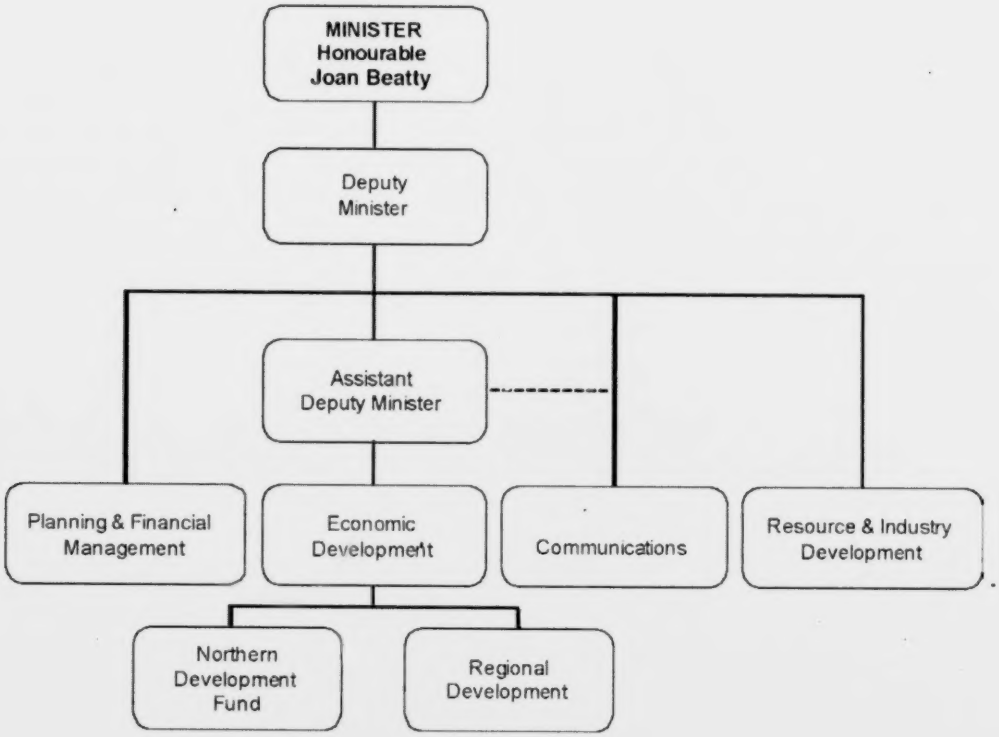
Westside Tourism Group: A group of tourism stakeholders from the communities of Beauval, Buffalo Narrows, Canoe Lake, Dillon, Green Lake, Ile a la Crosse, La Loche, and Turnor Lake, and representatives from Northern Saskatchewan Tourism and SNA. The purpose of the group is to identify a regional tourism strategic plan for the northwest region of Saskatchewan, build capacity and form partnerships.

Appendix B: Glossary

Acronyms

AEDTC	Athabasca Economic Development and Training Corporation
CCEDC	Central Cree Economic Development Corporation
CEMP	Cumulative Effects Monitoring Program
CNSC	Canadian Nuclear Safety Commission
CRDC	Creighton Regional Development Corporation
FFMC	Freshwater Fish Marketing Corporation
FTE	Full-Time Equivalent
NAD	Northern Administration District
NDA	Northern Development Agreement or Northern Development Accord
NDBC	Northern Development Board Corporation
NDF	Northern Development Fund
NEDA	Northeast Economic Development Association
NEIS	Northern Economic Infrastructure Strategy
NMMS	Northern Mines Monitoring Secretariat
NRB	Northern Review Board
NSEQC	Northern Saskatchewan Environmental Quality Committee
NTFP	Non-Timber Forest Products
NWRDC	Northwest Regional Development Council
PPAC	Provincial Planning and Accountability Committee
RDC	Regional Development Corporation
SCFL	Saskatchewan Co-operative Fisheries Ltd.
SFC	Saskatchewan Forest Centre
SNA	Saskatchewan Northern Affairs
SRC	Saskatchewan Research Council
SPM	Saskatchewan Property Management
TMC	Tripartite Management Committee
WD	Western Economic Diversification Canada
WWRDC	Woodlands and Waterways Regional Development Corporation

Appendix C: Organizational Chart as of March 31, 2007



Appendix D: Performance Measure Matrices

Northern Regions Represented on Northern Review Board					
	2002-03	**2003-04**	**2004-05**	**2005-06**	**2006-07**
Athabasca Region	1	1	1	1	1
Central Region	1	2	2	2	2*
East Side	2	3	3	3	3
West Side	2	3	3	3	3

**Includes one Provincial Government Employee*

Communities by Northern Regions (as Defined for the Northern Review Board)				
Athatbasca	**Central**	**East**	**West**	
Black Lake	Air Ronge	Creighton	Bear Creek	Green Lake
Camsell Portage	Brabant Lake	Cumberland House	Beauval	Ile a la Crosse
Fond du Lac	Grandmother's Bay	Cumberland House Cree Nation	Black Point	Jans Bay
Stony Rapids	Hall Lake	Denare Beach	Buffalo Narrows	La Loche
Uranium City	Kinoosao	Deschambault Lake	Canoe Narrows	Michel Village
Wollaston Lake	La Ronge	Pelican Narrows	Cole Bay	Patuanak
	Missinipe	Sandy Bay	Descharme Lake	Sled Lake
	Montreal Lake	Sturgeon Landing	Dillon	St. George's Hill
	Pinehouse		Dore Lake	Turnor Lake
	Southend		Garson Lake	
	Stanley Mission			
	Timber Bay			
	Weyakwin			

Organizations/Entities represented on Northern Development Board Corporation					
	2002-03	**2003-04**	**2004-05**	**2005-06**	**2006-07**
Saskatchewan Association of Northern Communities (New North)	2	2	2	2	2
Métis Nation of Saskatchewan	4	4	4	4	4
Prince Albert Grand Council	2	2	2	2	2
Meadow Lake Tribal Council	2	2	2	2	2
Athabasca Economic Development and Training Corporation	2	2	2	2	2

As of March 31, 2005, two stakeholder groups were in the process of appointing new representatives to fill vacant seats: (1) MLTC – one seat; and (2) PAGC – one seat. The seats were filled for the majority of 2004-05.

Appendix D: Performance Measure Matrices

Northern Communities represented on Northern Saskatchewan Environmental Quality Committee

Chart includes only communities that qualify to be on the NSEQC as "impact communities" defined by each uranium mine's Human Resource Development Agreement.

	2002-03	2003-04	2004-05	2005-06	2006-07
Air Ronge	1	1	1	1	1
Beauval	1	1	1	1	1
Black Lake First Nation	1		1	1	1
Brabant Lake	1	1	1	1	1
Buffalo Narrows	1	1	1	1	1
Camsell Portage	1	1	1	1	1
Cumberland House	1	1	1	1	1
Cumberland House Cree Nation	1		1	1	1
Denare Beach	1	1	1	1	1
Dillon (Buffalo River Dene Nation)	1	1	1	1	1
Fond du Lac Denesuline Nation	1	1	1	1	1
Green Lake	1	1	1	1	1
Ile a la Crosse	1	1	1	1	1
Jans Bay	1	1	1	1	1
La Loche	1	1	1	1	1
Clearwater River Dene Nation		1	1	1	1
La Ronge	1	1	1	1	1
Lac La Ronge Indian Band	1	1	1	1	1
Michel Village	1	1	1	1	1
Montreal Lake First Nation	1	1	1	1	1
Patuanak	1	1	1	1	1
English River First Nation	1	1	1	1	1
Pinehouse	1	1	1	1	1
Sandy Bay	1	1	1	1	1
Peter Ballantyne Cree Nation	1	1	1	1	1
Southend		1	1	1	1
St. George's Hill	1	1	1	1	1
Stony Rapids	1	1	1	1	1
Turnor Lake (Birch Narrows First Nation)	1	1	1	1	1
Uranium City	1	1	1	1	1
Weyakwin	1	1	1	1	1
Wollaston (Hatchet Lake First Nation)	1	1	1	1	1
TOTAL	30	30	32	32	32

In 2002-2003, the NSEQC had 31 member communities, but Southend did not have an individual to represent it.
In 2003-2004, the NSEQC had 32 member communities; two communities did not have individuals to represent them.

Appendix D: Performance Measure Matrices

Northern Communities on the Northwest Regional Development Council and Regional Development Corporations																			
	Northwest Regional Development Council				Athabasca Economic Development and Training Corporation			Central Cree Economic Development Corporation			Woodlands and Waterways Regional Development Corporation			Creighton Regional Development Corporation			Northeast Development Association		
	03-04	04-05	05-06	06-07	04-05	05-06	06-07	04-05	05-06	06-07	04-05	05-06	06-07	04-05	05-06	06-07	04-05	05-06	06-07
NORTHWEST REGION																			
Bear Creek																			
Beauval	3	3	3	3															
Black Point																			
Buffalo Narrows	3	2	2	2															
Canoe Narrows	1	1	1	1															
Cole Bay	1	1																	
Descharme Lake																			
Dillon (Buffalo River First Nation)*																			
Dore Lake																			
Garson Lake																			
Green Lake	1	1	1	1															
Ile a la Crosse	2	1	2	2															
La Loche	2	1	1	1															
Clearwater River Dene Nation			1	1															
Michel Village			1	1															
Patuanak (English River First Nation)																			
Pinehouse	1	1	1	1															
Sled Lake																			
St. George's Hill																			
Turnor Lake (Birch Narrows First Nation)	1	1																	
ATHABASCA REGION																			
Black Lake First Nation					1	1	1												
Camsell Portage					1	1	1												
Fond du Lac First Nation					1	1	1												
Stony Rapids					1	1	1												
Uranium City					1	1	1												
Wollaston					1	1	1												
Hatchet Lake First Nation					1	1	1												

Appendix D: Performance Measure Matrices

Northern Communities on the Northwest Regional Development Council and Regional Development Corporations																				
	Northwest Regional Development Council				Athabasca Economic Development and Training Corporation			Central Cree Economic Development Corporation			Woodlands and Waterways Regional Development Corporation			Creighton Regional Development Corporation			Northeast Development Association		
	03-04	04-05	05-06	06-07	04-05	05-06	06-07	04-05	05-06	06-07	04-05	05-06	06-07	04-05	05-06	06-07	04-05	05-06	06-07
MONTREAL LAKE REGION																			
Montreal Lake First Nation								2	2										
Timber Bay								2	2										
Weyakwin								2	2										
LA RONGE REGION																			
Air Ronge											2	2	2						
Brabant Lake																			
Grandmother's Bay																			
Hall Lake																			
La Ronge											2	3	2						
Lac La Ronge Indian Band												1	1						
Other parties													2						
La Ronge and Area Tourism													1						
Missinipe																			
Stanley Mission																			
CREIGHTON-DENARE BEACH REGION																			
Creighton														6	4	4			
Denare Beach																			
Other parties															3	3			
NORTH EAST REGION																			
Cumberland House																			
Cumberland House Cree Nation																		1	1
Deschambault Lake																	1	1	1
Kinoosao																			
Southend																			
Pelican Narrows (Peter Ballantyne)														1			1	1	1
Pemican Portage																	1		
Sandy Bay																	1	1	1
Sturgeon Landing																			
TOTALS	15	12	13	13	7	7	7	6	6	0	4	6	7	7	7	7	4	4	4